

Indiana Department of Commerce
Neighborhood Assistance Program 2001-2002
Application Cover Page

Program Objective:

The Neighborhood Assistance Program (NAP) is a tool provided to not-for-profit corporations that help leverage private donations for Indiana Department of Commerce approved programs and projects.

Eligible programs or projects must benefit either a 100% economically disadvantaged population or neighborhood.

Required Information: Your application will fail threshold if it does not contain proof of the following not-for-profit certifications.

- ❖ 501© status with the Internal Revenue Service
- ❖ Tax-exempt status with the Indiana Department of Revenue
- ❖ Recent report to demonstrate good standing with the Indiana Secretary of State
- ❖ Separation of church and state agreement for religious intent (if applicable)

Important Notice: Be aware of common mistakes made by applicants that result in their application receiving a lower score.

- ❖ Insufficient documentation of service gap/need for the particular NAP program/project
- ❖ NAP program/project budget line items that lack explanation and detail (eligible line items such as salaries for programs and construction materials for projects)
- ❖ Lack of evidence for secured local financial commitment to complete program/project (that which is not a NAP donation)
- ❖ Outdated and vague letters of support; lack of support from appropriate authorities

The Community Development Division of the Indiana Department of Commerce must receive one original and three copies of this application no later than 5:00 p.m. (Indianapolis time), June 1, 2001 (postmarks will not be accepted).

Please Help Us Out:

- ✓ Indicate specific objectives for your organization's use of NAP tax credits in the following categories: (i.e. salaries for programs, construction costs for projects serving the economically disadvantaged)
 - Low-Moderate Income Housing Projects
 - Counseling Services
 - Daycare
 - Job Training
 - Downtown and Neighborhood Commercial Revitalization
 - Medical Care
 - Recreational Facilities
 - Emergency Assistance (i.e. food banks, etc.)
- ✓ Include clear, most recent audited financial statements
- ✓ Provide an organized, detailed NAP Program budget with line item explanations
- ✓ Attach letters of support from the community that demonstrate strong partnerships
- ✓ Number pages and/or tab sections

Indiana Department of Commerce Neighborhood Assistance Program (NAP) Application

Deadline: the Community Development Division of the Indiana Department of Commerce must receive one original and three copies of this application no later than 5:00 p.m., June 1, 2001 (Indianapolis time). **NOTE:** No postmarks will be accepted.

A. Applicant Information:

Organization: _____

Contact: _____

Street Address: _____

City, County, Zip Code: _____

Phone: () _____ Fax: () _____ Email: _____

Fed. I.D.#: _____ Indiana Non-Profit #: _____

B. Program/Project Name and Brief Description:

Total NAP tax credits requested: \$ _____

Total leveraged funds from NAP: \$ _____ (at least twice the NAP request)

Total Program/Project Costs: \$ _____

Amount of NAP leveraged funds as a
percent of total program/project cost: _____ %
$$\frac{\text{(Amount of leveraged funds)}}{\text{(Total Project Cost)}}$$

- Please address every question.
- Failure to address requested information could result in rejection of application.
- Although a completed application may require more space than is provided in this form, follow this exact format. Attach additional pages if necessary.
- A mandatory NAP awardee workshop will take place in August 2001.

C. Economic Disadvantage/Threshold Criteria: (Maximum of 50 points)

1.) The enacting statute requires that the leveraged dollars from NAP credits be expended on projects that either, (a) are located in and benefit an economically disadvantaged area, or, (b) benefit a 100% economically disadvantaged or special needs population. Please state how your proposed NAP program or project meets the economic disadvantage requirement by marking “a”, “b” or “both” on the following line: _____

Applicants will be scored in this section on a maximum of 50 points:

Projects serving/locating in an economically disadvantaged area: Maximum of 40 points

----OR----

Programs benefiting a 100% economically disadvantaged population: Maximum of 40 points

Special Designation District (Slum or Blighted, UEA, Empowerment): Maximum of 10 points

----OR----

Other economic factors speaking to economic disadvantage: Maximum of 10 points

(a) Benefit Area

(20) Is the unemployment rate above state average? Yes () No ()

What is the unemployment rate? _____

What is your source of information? _____

(20) What is the median income for the census tract where the program/project is located?

What is your source of information? _____

(Attach detailed map of proposed area of benefit. Denote location of central office. This should be on the final page of the application.)

(b) Beneficiaries

(20) Does your program/project serve a disadvantaged/special needs population? Yes () No ()

(i.e. battered women, elderly, mentally/physically challenged, etc.)

If so, please identify the target population on the following line:

(20) Is the median income of the beneficiaries below state average? Yes () No ()

What is the median income? _____

What is your source of information? _____

(c) Special Designation District

(10) Is the program or project located in special designation district? Yes () No ()

(i.e. Urban Enterprise Zone, Empowerment Zone, Enterprise Community, Main Street, Slum & Blighted Areas, etc.)

If so, please state designation: _____

(d) Other

(10) If there are other factors that speak to the economic disadvantage or special needs of the area or population, please use the space below to explain.

Total: ()

D. Project Description/Timeline:

1.) Eligible Activities: The enacting statute specifies upon which activities NAP leveraged dollars may be expended.
Please check **one** of the following **eligible** activities that best describes your proposed project:

- | | |
|---|---|
| <input type="checkbox"/> Counseling service | <input type="checkbox"/> Downtown and commercial revitalization |
| <input type="checkbox"/> Medical care | <input type="checkbox"/> Recreational facilities |
| <input type="checkbox"/> Housing facilities | <input type="checkbox"/> Emergency Assistance (i.e. food banks, etc.) |
| <input type="checkbox"/> Job training | |
| <input type="checkbox"/> Child care | |

2.) (a) Briefly describe the proposed NAP program/project.

(b) Provide a detailed timeline for implementation of the proposed project.

*Timeline should start July 2001 (award date).

*Timeline should include fundraising events and all events to the completion of the proposed NAP project.

*Funds are to be leveraged and spent by June 30, 2002.

Total: ()

E. Project Need: (125 points)

Please be sure to answer each question thoroughly. Provide documentation as an attachment, when possible.

(50) 1.) How has your organization determined that a need and/or service gap exists for this particular program/project in your area?
(i.e. surveys, statistical/university studies, board resolutions, needs assessments, market studies, petitions, minutes for public meetings, newspaper articles, endorsements from relevant agencies, etc.)

**Document the service gap or need for project completion by attaching relevant documentation*

**Identification of specific groups/persons who will benefit from the program or project will result in a higher score.*

(25) 2.) Will the proposed NAP program or project address a need (health, safety, food, or shelter) of the program/project beneficiaries? Please explain with relevant documentation.

(25) 3.) Is your organization the sole provider of the service or benefit that will be the result of the proposed NAP program/project? If not, how has your organization worked with other organizations with similar missions?

(25) 4.) Demonstrate that this program/project is a top priority for your organization. How does the intended program/project support your organization's long-term planning? (Reference strategic plans, vision statements, etc.)

Total: (____)

F. Financial Need: (145 points)

(45) I. Current Financial Status:

- (20) 1.) Provide your organization's operating budget for the current year as well as last year's financial statements as an attachment. *(Please note that audited financial statements are preferred).* If you feel that the information provided above does not accurately illustrate your organization's financial situation, please provide additional commentary in the space provided.
- (25) 2.) Provide support documentation of local financial commitment for the proposed NAP program/project. (Please remember funds described here are NOT those dollars leveraged with NAP credits, but are those dollars used to complete the total project cost)
NOTE: If proposed NAP leveraged dollars will be used to match specific IHFA HOME and IHFA CDBG program funds, verification and descriptions of such awards must be included in this section.

(50) II. Projected NAP Program/Project Cost:

Use this section to further explain the NAP program/project budget.

- (35) 1.) Applicants will be scored on whether the budget adds up; whether NAP-leveraged dollars equal at least 2 times the NAP credits requested; whether a unit cost is determined for each line item in the "explanation" section, especially those that will be paid for by NAP-leveraged dollars; and whether the budget is consistent with other narrative portions of the application.
- (15) 2.) Provide additional information that further documents the justification for the NAP budget (estimates, bids, etc.). If costs are for program staff, please include salary justification/breakdown of hourly rate. (NOTE: hourly rate equations for staff and unit costs for construction materials must be given in "Explanation" sections of budget pages as well.)

(50) III. Financial Gap:

Use the space provided in this section to explain the need for NAP-leveraged dollars to complete the proposed program/project.

- (25) 1.) Applicant is scored on a combination of (1) lack of surplus funds as demonstrated by the organization's operating budget, and (2) the soundness of the NAP project budget.
- (25) 2.) If there is no expansion of services (ongoing operations), document the change in your organization's financial picture (loss of revenue) that has prompted the application for NAP credits.

OR,

If there is an expansion of services, demonstrate that the cost of those services commensurate with the amount of NAP credits requested.

Total: ()

G. Local Effort: (180 points)

(50) I. Community Support:

- (25) 1.) Demonstrate the support of the appropriate authorities on the subject.*
(colleagues in area of assistance/expertise)
- (25) 2.) Demonstrate the support of the community at large.*
(neighbors, community members, local leadership, etc.)

**Please attach current letters of support, newspaper articles, resolutions, etc.*

(50) II. Planning and Preparation:

- (25) 1.) Please attach a pledge list of possible NAP donors and/or past donor list(s).
- (25) 2.) How does your organization intend to market NAP tax credits (please provide an explanation of marketing tools, target audience, timeline)?

(50) III. Implementation Capacity:

- (25) 1.) What programs or projects has your organization undertaken that would better prepare it for the proposed NAP program/project?
(previous NAP awards, other state and federal grants, etc.)
- (25) 2.) Does your organization have the administrative capacity and relevant skills to carry out the proposed program/project?
Please provide credentials.

(30) IV. Past Performance Evaluation:

1.) Applicant will be evaluated based on success with Neighborhood Assistance Program awards from the immediately proceeding funding round (2000-2001 cycle).

- If applying organization is a new applicant, full points will be awarded.
- If applying organization fully expended all tax credits of a 2000-2001 award, full points will be awarded.
- If applying organization failed to expend all credits awarded, the following point deductions will be taken from this section (maximum of 30):

| | |
|---|--------------------|
| 0 - 1% of credits not expended: | No point deduction |
| 2% - 10% of credits not expended: | 5 point deduction |
| 11% - 20% of credits not expended: | 10 point deduction |
| 21% - 30% of credits not expended: | 15 point deduction |
| 31% - 40% of credits not expended: | 20 point deduction |
| If fifty or more percent (50+%) of credits were not expended: | 30 point deduction |

NOTE: Remaining percentages will be based on monitoring results from the Community Development Division of the Indiana Department of Commerce, and the Indiana Department of Revenue. Rounding of percentages will be used (ex. 10.2% remaining = 10%; 10.5 % = 11%).

If your organization did not fully expend an award during the last cycle of NAP, please explain why:

Total: ()

H. Neighborhood Assistance Program Terms and Conditions:

The applicant agrees that the following terms and conditions shall be applicable to any Neighborhood Assistance Program (NAP) tax credits provided to the applicant.

1. The approved applicant shall make all project records available to the Indiana Department of Commerce (IDOC) and its agents and the Indiana Department of Revenue (IDOR) and its agents for a period of not less than five (5) years from their creation for any purpose, including without limitation, evaluation, monitoring, and audit by the IDOC or the IDOR or their agents.
2. The approved applicant shall have the sole responsibility for valuation of all property provided and services rendered under this program in accordance with 55 IAC 1-1.1-3, and shall be legally liable to the IDOR for fifty percent (50%) of any inflated or excessive valuation, unless the IDOR determines that mitigating circumstances should reduce or eliminate said liability.
3. The approved applicant agrees to receive written approval from the IDOC prior to implementing any changes in project goals, objectives, budget, area to be served, or administrative structures.
4. The IDOC reserves the right to terminate any agreement with the approved applicant to offer tax credits to contributors, as well as the right to lower the minimum amount of tax credits which can be offered by the approved applicant if approved applicant deviates from its project plan, without approval of the IDOC. Such deviations may include, without limitation, a commitment of contributions to the project less than the level outlined in its plan.
5. The IDOR reserves the right to review all contributions to projects administered by the approved applicant.
6. Approved applicants shall not discriminate against sub-recipients of NAP tax credits, employees, and applicants for employment because of the employee's age, race, sex, creed, color, or national origin. Violations of such requirement may result in disallowance of the tax credit.
7. The approved applicant agrees to implement the project between July 1, 2001 and June 30, 2002 in accordance with the State of Indiana's fiscal year.
8. The undersigned person represents that he or she has the actual authority to bind the approved applicant to the terms and conditions set forth herein.
9. The approved applicant agrees to be bound to the terms and conditions set fourth herein and agrees to administer the proposed project in accordance with said terms and conditions, as well as with the attached proposal documents and the document entitled "Neighborhood Assistance Program Policy Statement".
10. The approved applicant agrees to comply with all applicable federal, state, and local laws, rules, regulations, or ordinances, whether currently existing or hereafter created, including, but not limited to IC 6-3.1-9 and 55 IAC 1-1.1.

Signature

Attest or Notary Signature

Printed Name

Printed Name

Title

Title

Date

Date

Attachments:

- ☐ Letters of endorsement
- ☐ Proof of not-for-profit, tax-exempt status with Internal Revenue Service (copy of IRS Determination Letter with Employer Identification Number) and the Indiana Department of Revenue (State Form IT-35E)
(**please see below**)
- ☐ A copy of the organization's most recent report to the Indiana Secretary of State (State Form 2423)
(**please see below**)
- ☐ Copy of deed, lease, or agreement for land, homes, or facilities (if project will include renovation or construction)
- ☐ A copy of the organization's most recent financial statement (1999)
- ☐ Applicant's current year operating budget (2000)
- ☐ Pledge list
- ☐ A list of Board of Directors and their affiliations
- ☐ A list of the organization's current employees
- ☐ A detailed project budget
- ☐ For organization with operating budgets of less than \$100,000, a copy of the organization's most recent IRS Form 990 or Form 990EZ
- ☐ Entity Annual Report (E-1) form (if available)
- ☐ A copy of applying organization's mission statement
- ☐ A map of the project area indicating the location of the project (last page of application)

For assistance in obtaining not-for-profit certification forms:

Internal Revenue Service District Director: 1-877-829-5500 (Exempt Organizations Department)
Indiana Department of Revenue: 317-232-2188
Indiana Secretary of State: 317-232-6576

J. Certification of Applicant's Chief Elected Officer (Board President)

I certify that submission of this application has been duly authorized by the governing body of the applicant; that the applicant has the legal capacity to carry out the proposed program; and that the proposed program is designed to meet the community-economic development goals of the applicant's service area. I understand the Indiana Department of Commerce retains the right to award less than the requested amount of tax credits and make conditional awards.

Signature: _____ Date: _____

Printed name and title: _____

Budget:

| Expense: | Project cost: | NAP tax credits: * | NAP leveraged dollars: (at least 2 x C) | In-kind: ** (land or building materials only) | Other sources: |
|----------|---------------|--------------------|--|--|----------------|
| | \$ | \$ | \$ | \$ | \$ |
| | \$ | \$ | \$ | \$ | \$ |
| | \$ | \$ | \$ | \$ | \$ |
| | \$ | \$ | \$ | \$ | \$ |
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| | \$ | \$ | \$ | \$ | \$ |
| | \$ | \$ | \$ | \$ | \$ |

A

B

C

D

E

F

TOTAL PROJECTED: \$ _____ *\$ _____ \$ _____ \$ _____ \$ _____

**This amount must be identical to the amount of NAP tax credits requested on the front page of this application.*

***In-kind donations are limited to 25% of the total project cost.*

Budget Column Formulas

A=Text/Line Item Description

B=D+E+F

C=Amount of NAP credits requested broken down by line item

D=at least 2xC

E=In-kind donations (cannot exceed 25% of total project cost)

F=Other sources of funds; grants, awards, contributions other than NAP

NAP BUDGET: A detailed explanation of each line item.

| A | B | C | D | E |
|----------|----------------|------------------|------------------------|------------------------------------|
| Expense: | Project total: | NAP tax credits: | NAP leveraged dollars: | Other sources: (Please Specify) |
| | | | | |

*Explanation:

| A | B | C | D | E |
|----------|----------------|------------------|------------------------|------------------------------------|
| Expense: | Project total: | NAP tax credits: | NAP leveraged dollars: | Other sources: (Please Specify) |
| | | | | |

*Explanation:

| A | B | C | D | E |
|----------|----------------|------------------|------------------------|------------------------------------|
| Expense: | Project total: | NAP tax credits: | NAP leveraged dollars: | Other sources: (Please Specify) |
| | | | | |

*Explanation:

| A | B | C | D | E |
|----------|----------------|------------------|------------------------|------------------------------------|
| Expense: | Project total: | NAP tax credits: | NAP leveraged dollars: | Other sources: (Please Specify) |
| | | | | |

*Explanation:

| A | B | C | D | E |
|----------|----------------|------------------|------------------------|------------------------------------|
| Expense: | Project total: | NAP tax credits: | NAP leveraged dollars: | Other sources: (Please Specify) |
| | | | | |

*Explanation:

| A | B | C | D | E |
|----------|----------------|------------------|------------------------|------------------------------------|
| Expense: | Project total: | NAP tax credits: | NAP leveraged dollars: | Other sources: (Please Specify) |
| | | | | |

*Explanation:

| A | B | C | D | E |
|----------|----------------|------------------|------------------------|------------------------------------|
| Expense: | Project total: | NAP tax credits: | NAP leveraged dollars: | Other sources: (Please Specify) |
| | | | | |

*Explanation:

| A | B | C | D | E |
|----------|----------------|------------------|------------------------|------------------------------------|
| Expense: | Project total: | NAP tax credits: | NAP leveraged dollars: | Other sources: (Please Specify) |
| | | | | |

*Explanation:

| A | B | C | D | E |
|----------|----------------|------------------|------------------------|------------------------------------|
| Expense: | Project total: | NAP tax credits: | NAP leveraged dollars: | Other sources: (Please Specify) |
| | | | | |

*Explanation:

| A | B | C | D | E |
|----------|----------------|------------------|------------------------|------------------------------------|
| Expense: | Project total: | NAP tax credits: | NAP leveraged dollars: | Other sources: (Please Specify) |
| | | | | |

*Explanation:

| A | B | C | D | E |
|----------|----------------|------------------|------------------------|------------------------------------|
| Expense: | Project total: | NAP tax credits: | NAP leveraged dollars: | Other sources: (Please Specify) |
| | | | | |

*Explanation:

| A | B | C | D | E |
|----------|----------------|------------------|------------------------|------------------------------------|
| Expense: | Project total: | NAP tax credits: | NAP leveraged dollars: | Other sources: (Please Specify) |
| | | | | |

*Explanation:

